



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4457

Introduced 1/21/2022, by Rep. Michael J. Zalewski

SYNOPSIS AS INTRODUCED:

See Index

Amends the General Provisions and State Employee Article of the Illinois Pension Code. Provides that the alternative retirement annuity under the State Employee Article applies to an investigator for the Illinois Liquor Control Commission, including an investigator for the Illinois Liquor Control Commission who is subject to the Tier 2 provisions. Authorizes investigators for the Illinois Liquor Control Commission to establish eligible creditable service under the alternative retirement annuity formula for certain service by applying and paying a specified contribution. Amends the Liquor Control Act of 1934. Provides that, subject to certain restrictions, the State Commission has the power to expend sums that the Executive Director deems necessary for the purchase of evidence and for the employment of persons to obtain evidence. Provides that an action for a violation of the Act shall be commenced by the State Commission not more than 18 months after conviction of the violation of the Act or other State law in a circuit court or, if there has not been a conviction, not more than 3 years after the violation occurred (instead of within 2 years after the date the State Commission becomes aware of the violation). Makes changes to provisions concerning notice of a violation of the Act and dismissals of an action for failing to provide that notice; inspection of premises by the State Commission and local liquor control commissioners; bonding requirements; and forfeiture of alcoholic liquor possessed, sold, shipped, or transported in violation of the Act. Makes other changes. Effective immediately.

LRB102 17775 RPS 24057 b

FISCAL NOTE ACT
MAY APPLY

PENSION IMPACT
NOTE ACT MAY
APPLY

A BILL FOR

1 AN ACT concerning liquor.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Pension Code is amended by
5 changing Sections 1-160, 14-110, and 14-152.1 as follows:

6 (40 ILCS 5/1-160)

7 Sec. 1-160. Provisions applicable to new hires.

8 (a) The provisions of this Section apply to a person who,
9 on or after January 1, 2011, first becomes a member or a
10 participant under any reciprocal retirement system or pension
11 fund established under this Code, other than a retirement
12 system or pension fund established under Article 2, 3, 4, 5, 6,
13 15 or 18 of this Code, notwithstanding any other provision of
14 this Code to the contrary, but do not apply to any self-managed
15 plan established under this Code, to any person with respect
16 to service as a sheriff's law enforcement employee under
17 Article 7, or to any participant of the retirement plan
18 established under Section 22-101. Notwithstanding anything to
19 the contrary in this Section, for purposes of this Section, a
20 person who participated in a retirement system under Article
21 15 prior to January 1, 2011 shall be deemed a person who first
22 became a member or participant prior to January 1, 2011 under
23 any retirement system or pension fund subject to this Section.

1 The changes made to this Section by Public Act 98-596 are a
2 clarification of existing law and are intended to be
3 retroactive to January 1, 2011 (the effective date of Public
4 Act 96-889), notwithstanding the provisions of Section 1-103.1
5 of this Code.

6 This Section does not apply to a person who first becomes a
7 noncovered employee under Article 14 on or after the
8 implementation date of the plan created under Section 1-161
9 for that Article, unless that person elects under subsection
10 (b) of Section 1-161 to instead receive the benefits provided
11 under this Section and the applicable provisions of that
12 Article.

13 This Section does not apply to a person who first becomes a
14 member or participant under Article 16 on or after the
15 implementation date of the plan created under Section 1-161
16 for that Article, unless that person elects under subsection
17 (b) of Section 1-161 to instead receive the benefits provided
18 under this Section and the applicable provisions of that
19 Article.

20 This Section does not apply to a person who elects under
21 subsection (c-5) of Section 1-161 to receive the benefits
22 under Section 1-161.

23 This Section does not apply to a person who first becomes a
24 member or participant of an affected pension fund on or after 6
25 months after the resolution or ordinance date, as defined in
26 Section 1-162, unless that person elects under subsection (c)

1 of Section 1-162 to receive the benefits provided under this
2 Section and the applicable provisions of the Article under
3 which he or she is a member or participant.

4 (b) "Final average salary" means the average monthly (or
5 annual) salary obtained by dividing the total salary or
6 earnings calculated under the Article applicable to the member
7 or participant during the 96 consecutive months (or 8
8 consecutive years) of service within the last 120 months (or
9 10 years) of service in which the total salary or earnings
10 calculated under the applicable Article was the highest by the
11 number of months (or years) of service in that period. For the
12 purposes of a person who first becomes a member or participant
13 of any retirement system or pension fund to which this Section
14 applies on or after January 1, 2011, in this Code, "final
15 average salary" shall be substituted for the following:

16 (1) In Article 7 (except for service as sheriff's law
17 enforcement employees), "final rate of earnings".

18 (2) In Articles 8, 9, 10, 11, and 12, "highest average
19 annual salary for any 4 consecutive years within the last
20 10 years of service immediately preceding the date of
21 withdrawal".

22 (3) In Article 13, "average final salary".

23 (4) In Article 14, "final average compensation".

24 (5) In Article 17, "average salary".

25 (6) In Section 22-207, "wages or salary received by
26 him at the date of retirement or discharge".

1 (b-5) Beginning on January 1, 2011, for all purposes under
2 this Code (including without limitation the calculation of
3 benefits and employee contributions), the annual earnings,
4 salary, or wages (based on the plan year) of a member or
5 participant to whom this Section applies shall not exceed
6 \$106,800; however, that amount shall annually thereafter be
7 increased by the lesser of (i) 3% of that amount, including all
8 previous adjustments, or (ii) one-half the annual unadjusted
9 percentage increase (but not less than zero) in the consumer
10 price index-u for the 12 months ending with the September
11 preceding each November 1, including all previous adjustments.

12 For the purposes of this Section, "consumer price index-u"
13 means the index published by the Bureau of Labor Statistics of
14 the United States Department of Labor that measures the
15 average change in prices of goods and services purchased by
16 all urban consumers, United States city average, all items,
17 1982-84 = 100. The new amount resulting from each annual
18 adjustment shall be determined by the Public Pension Division
19 of the Department of Insurance and made available to the
20 boards of the retirement systems and pension funds by November
21 1 of each year.

22 (c) A member or participant is entitled to a retirement
23 annuity upon written application if he or she has attained age
24 67 (beginning January 1, 2015, age 65 with respect to service
25 under Article 12 of this Code that is subject to this Section)
26 and has at least 10 years of service credit and is otherwise

1 eligible under the requirements of the applicable Article.

2 A member or participant who has attained age 62 (beginning
3 January 1, 2015, age 60 with respect to service under Article
4 12 of this Code that is subject to this Section) and has at
5 least 10 years of service credit and is otherwise eligible
6 under the requirements of the applicable Article may elect to
7 receive the lower retirement annuity provided in subsection
8 (d) of this Section.

9 (c-5) A person who first becomes a member or a participant
10 subject to this Section on or after July 6, 2017 (the effective
11 date of Public Act 100-23), notwithstanding any other
12 provision of this Code to the contrary, is entitled to a
13 retirement annuity under Article 8 or Article 11 upon written
14 application if he or she has attained age 65 and has at least
15 10 years of service credit and is otherwise eligible under the
16 requirements of Article 8 or Article 11 of this Code,
17 whichever is applicable.

18 (d) The retirement annuity of a member or participant who
19 is retiring after attaining age 62 (beginning January 1, 2015,
20 age 60 with respect to service under Article 12 of this Code
21 that is subject to this Section) with at least 10 years of
22 service credit shall be reduced by one-half of 1% for each full
23 month that the member's age is under age 67 (beginning January
24 1, 2015, age 65 with respect to service under Article 12 of
25 this Code that is subject to this Section).

26 (d-5) The retirement annuity payable under Article 8 or

1 Article 11 to an eligible person subject to subsection (c-5)
2 of this Section who is retiring at age 60 with at least 10
3 years of service credit shall be reduced by one-half of 1% for
4 each full month that the member's age is under age 65.

5 (d-10) Each person who first became a member or
6 participant under Article 8 or Article 11 of this Code on or
7 after January 1, 2011 and prior to the effective date of this
8 amendatory Act of the 100th General Assembly shall make an
9 irrevocable election either:

10 (i) to be eligible for the reduced retirement age
11 provided in subsections (c-5) and (d-5) of this Section,
12 the eligibility for which is conditioned upon the member
13 or participant agreeing to the increases in employee
14 contributions for age and service annuities provided in
15 subsection (a-5) of Section 8-174 of this Code (for
16 service under Article 8) or subsection (a-5) of Section
17 11-170 of this Code (for service under Article 11); or

18 (ii) to not agree to item (i) of this subsection
19 (d-10), in which case the member or participant shall
20 continue to be subject to the retirement age provisions in
21 subsections (c) and (d) of this Section and the employee
22 contributions for age and service annuity as provided in
23 subsection (a) of Section 8-174 of this Code (for service
24 under Article 8) or subsection (a) of Section 11-170 of
25 this Code (for service under Article 11).

26 The election provided for in this subsection shall be made

1 between October 1, 2017 and November 15, 2017. A person
2 subject to this subsection who makes the required election
3 shall remain bound by that election. A person subject to this
4 subsection who fails for any reason to make the required
5 election within the time specified in this subsection shall be
6 deemed to have made the election under item (ii).

7 (e) Any retirement annuity or supplemental annuity shall
8 be subject to annual increases on the January 1 occurring
9 either on or after the attainment of age 67 (beginning January
10 1, 2015, age 65 with respect to service under Article 12 of
11 this Code that is subject to this Section and beginning on the
12 effective date of this amendatory Act of the 100th General
13 Assembly, age 65 with respect to service under Article 8 or
14 Article 11 for eligible persons who: (i) are subject to
15 subsection (c-5) of this Section; or (ii) made the election
16 under item (i) of subsection (d-10) of this Section) or the
17 first anniversary of the annuity start date, whichever is
18 later. Each annual increase shall be calculated at 3% or
19 one-half the annual unadjusted percentage increase (but not
20 less than zero) in the consumer price index-u for the 12 months
21 ending with the September preceding each November 1, whichever
22 is less, of the originally granted retirement annuity. If the
23 annual unadjusted percentage change in the consumer price
24 index-u for the 12 months ending with the September preceding
25 each November 1 is zero or there is a decrease, then the
26 annuity shall not be increased.

1 For the purposes of Section 1-103.1 of this Code, the
2 changes made to this Section by this amendatory Act of the
3 100th General Assembly are applicable without regard to
4 whether the employee was in active service on or after the
5 effective date of this amendatory Act of the 100th General
6 Assembly.

7 (f) The initial survivor's or widow's annuity of an
8 otherwise eligible survivor or widow of a retired member or
9 participant who first became a member or participant on or
10 after January 1, 2011 shall be in the amount of 66 2/3% of the
11 retired member's or participant's retirement annuity at the
12 date of death. In the case of the death of a member or
13 participant who has not retired and who first became a member
14 or participant on or after January 1, 2011, eligibility for a
15 survivor's or widow's annuity shall be determined by the
16 applicable Article of this Code. The initial benefit shall be
17 66 2/3% of the earned annuity without a reduction due to age. A
18 child's annuity of an otherwise eligible child shall be in the
19 amount prescribed under each Article if applicable. Any
20 survivor's or widow's annuity shall be increased (1) on each
21 January 1 occurring on or after the commencement of the
22 annuity if the deceased member died while receiving a
23 retirement annuity or (2) in other cases, on each January 1
24 occurring after the first anniversary of the commencement of
25 the annuity. Each annual increase shall be calculated at 3% or
26 one-half the annual unadjusted percentage increase (but not

1 less than zero) in the consumer price index-u for the 12 months
2 ending with the September preceding each November 1, whichever
3 is less, of the originally granted survivor's annuity. If the
4 annual unadjusted percentage change in the consumer price
5 index-u for the 12 months ending with the September preceding
6 each November 1 is zero or there is a decrease, then the
7 annuity shall not be increased.

8 (g) The benefits in Section 14-110 apply only if the
9 person is a State policeman, a fire fighter in the fire
10 protection service of a department, a conservation police
11 officer, an investigator for the Secretary of State, an arson
12 investigator, a Commerce Commission police officer,
13 investigator for the Department of Revenue, Illinois Liquor
14 Control Commission, or the Illinois Gaming Board, a security
15 employee of the Department of Corrections or the Department of
16 Juvenile Justice, or a security employee of the Department of
17 Innovation and Technology, as those terms are defined in
18 subsection (b) and subsection (c) of Section 14-110. A person
19 who meets the requirements of this Section is entitled to an
20 annuity calculated under the provisions of Section 14-110, in
21 lieu of the regular or minimum retirement annuity, only if the
22 person has withdrawn from service with not less than 20 years
23 of eligible creditable service and has attained age 60,
24 regardless of whether the attainment of age 60 occurs while
25 the person is still in service.

26 (h) If a person who first becomes a member or a participant

1 of a retirement system or pension fund subject to this Section
2 on or after January 1, 2011 is receiving a retirement annuity
3 or retirement pension under that system or fund and becomes a
4 member or participant under any other system or fund created
5 by this Code and is employed on a full-time basis, except for
6 those members or participants exempted from the provisions of
7 this Section under subsection (a) of this Section, then the
8 person's retirement annuity or retirement pension under that
9 system or fund shall be suspended during that employment. Upon
10 termination of that employment, the person's retirement
11 annuity or retirement pension payments shall resume and be
12 recalculated if recalculation is provided for under the
13 applicable Article of this Code.

14 If a person who first becomes a member of a retirement
15 system or pension fund subject to this Section on or after
16 January 1, 2012 and is receiving a retirement annuity or
17 retirement pension under that system or fund and accepts on a
18 contractual basis a position to provide services to a
19 governmental entity from which he or she has retired, then
20 that person's annuity or retirement pension earned as an
21 active employee of the employer shall be suspended during that
22 contractual service. A person receiving an annuity or
23 retirement pension under this Code shall notify the pension
24 fund or retirement system from which he or she is receiving an
25 annuity or retirement pension, as well as his or her
26 contractual employer, of his or her retirement status before

1 accepting contractual employment. A person who fails to submit
2 such notification shall be guilty of a Class A misdemeanor and
3 required to pay a fine of \$1,000. Upon termination of that
4 contractual employment, the person's retirement annuity or
5 retirement pension payments shall resume and, if appropriate,
6 be recalculated under the applicable provisions of this Code.

7 (i) (Blank).

8 (j) In the case of a conflict between the provisions of
9 this Section and any other provision of this Code, the
10 provisions of this Section shall control.

11 (Source: P.A. 100-23, eff. 7-6-17; 100-201, eff. 8-18-17;
12 100-563, eff. 12-8-17; 100-611, eff. 7-20-18; 100-1166, eff.
13 1-4-19; 101-610, eff. 1-1-20.)

14 (40 ILCS 5/14-110) (from Ch. 108 1/2, par. 14-110)

15 Sec. 14-110. Alternative retirement annuity.

16 (a) Any member who has withdrawn from service with not
17 less than 20 years of eligible creditable service and has
18 attained age 55, and any member who has withdrawn from service
19 with not less than 25 years of eligible creditable service and
20 has attained age 50, regardless of whether the attainment of
21 either of the specified ages occurs while the member is still
22 in service, shall be entitled to receive at the option of the
23 member, in lieu of the regular or minimum retirement annuity,
24 a retirement annuity computed as follows:

25 (i) for periods of service as a noncovered employee:

1 if retirement occurs on or after January 1, 2001, 3% of
2 final average compensation for each year of creditable
3 service; if retirement occurs before January 1, 2001, 2
4 1/4% of final average compensation for each of the first
5 10 years of creditable service, 2 1/2% for each year above
6 10 years to and including 20 years of creditable service,
7 and 2 3/4% for each year of creditable service above 20
8 years; and

9 (ii) for periods of eligible creditable service as a
10 covered employee: if retirement occurs on or after January
11 1, 2001, 2.5% of final average compensation for each year
12 of creditable service; if retirement occurs before January
13 1, 2001, 1.67% of final average compensation for each of
14 the first 10 years of such service, 1.90% for each of the
15 next 10 years of such service, 2.10% for each year of such
16 service in excess of 20 but not exceeding 30, and 2.30% for
17 each year in excess of 30.

18 Such annuity shall be subject to a maximum of 75% of final
19 average compensation if retirement occurs before January 1,
20 2001 or to a maximum of 80% of final average compensation if
21 retirement occurs on or after January 1, 2001.

22 These rates shall not be applicable to any service
23 performed by a member as a covered employee which is not
24 eligible creditable service. Service as a covered employee
25 which is not eligible creditable service shall be subject to
26 the rates and provisions of Section 14-108.

1 (b) For the purpose of this Section, "eligible creditable
2 service" means creditable service resulting from service in
3 one or more of the following positions:

4 (1) State policeman;

5 (2) fire fighter in the fire protection service of a
6 department;

7 (3) air pilot;

8 (4) special agent;

9 (5) investigator for the Secretary of State;

10 (6) conservation police officer;

11 (7) investigator for the Department of Revenue, the
12 Illinois Liquor Control Commission, or the Illinois Gaming
13 Board;

14 (8) security employee of the Department of Human
15 Services;

16 (9) Central Management Services security police
17 officer;

18 (10) security employee of the Department of
19 Corrections or the Department of Juvenile Justice;

20 (11) dangerous drugs investigator;

21 (12) investigator for the Department of State Police;

22 (13) investigator for the Office of the Attorney
23 General;

24 (14) controlled substance inspector;

25 (15) investigator for the Office of the State's
26 Attorneys Appellate Prosecutor;

- 1 (16) Commerce Commission police officer;
- 2 (17) arson investigator;
- 3 (18) State highway maintenance worker;
- 4 (19) security employee of the Department of Innovation
5 and Technology; or
- 6 (20) transferred employee.

7 A person employed in one of the positions specified in
8 this subsection is entitled to eligible creditable service for
9 service credit earned under this Article while undergoing the
10 basic police training course approved by the Illinois Law
11 Enforcement Training Standards Board, if completion of that
12 training is required of persons serving in that position. For
13 the purposes of this Code, service during the required basic
14 police training course shall be deemed performance of the
15 duties of the specified position, even though the person is
16 not a sworn peace officer at the time of the training.

17 A person under paragraph (20) is entitled to eligible
18 creditable service for service credit earned under this
19 Article on and after his or her transfer by Executive Order No.
20 2003-10, Executive Order No. 2004-2, or Executive Order No.
21 2016-1.

22 (c) For the purposes of this Section:

23 (1) The term "State policeman" includes any title or
24 position in the Department of State Police that is held by
25 an individual employed under the State Police Act.

26 (2) The term "fire fighter in the fire protection

1 service of a department" includes all officers in such
2 fire protection service including fire chiefs and
3 assistant fire chiefs.

4 (3) The term "air pilot" includes any employee whose
5 official job description on file in the Department of
6 Central Management Services, or in the department by which
7 he is employed if that department is not covered by the
8 Personnel Code, states that his principal duty is the
9 operation of aircraft, and who possesses a pilot's
10 license; however, the change in this definition made by
11 this amendatory Act of 1983 shall not operate to exclude
12 any noncovered employee who was an "air pilot" for the
13 purposes of this Section on January 1, 1984.

14 (4) The term "special agent" means any person who by
15 reason of employment by the Division of Narcotic Control,
16 the Bureau of Investigation or, after July 1, 1977, the
17 Division of Criminal Investigation, the Division of
18 Internal Investigation, the Division of Operations, or any
19 other Division or organizational entity in the Department
20 of State Police is vested by law with duties to maintain
21 public order, investigate violations of the criminal law
22 of this State, enforce the laws of this State, make
23 arrests and recover property. The term "special agent"
24 includes any title or position in the Department of State
25 Police that is held by an individual employed under the
26 State Police Act.

1 (5) The term "investigator for the Secretary of State"
2 means any person employed by the Office of the Secretary
3 of State and vested with such investigative duties as
4 render him ineligible for coverage under the Social
5 Security Act by reason of Sections 218(d)(5)(A),
6 218(d)(8)(D) and 218(1)(1) of that Act.

7 A person who became employed as an investigator for
8 the Secretary of State between January 1, 1967 and
9 December 31, 1975, and who has served as such until
10 attainment of age 60, either continuously or with a single
11 break in service of not more than 3 years duration, which
12 break terminated before January 1, 1976, shall be entitled
13 to have his retirement annuity calculated in accordance
14 with subsection (a), notwithstanding that he has less than
15 20 years of credit for such service.

16 (6) The term "Conservation Police Officer" means any
17 person employed by the Division of Law Enforcement of the
18 Department of Natural Resources and vested with such law
19 enforcement duties as render him ineligible for coverage
20 under the Social Security Act by reason of Sections
21 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that Act. The
22 term "Conservation Police Officer" includes the positions
23 of Chief Conservation Police Administrator and Assistant
24 Conservation Police Administrator.

25 (7) The term "investigator for the Department of
26 Revenue" means any person employed by the Department of

1 Revenue and vested with such investigative duties as
2 render him ineligible for coverage under the Social
3 Security Act by reason of Sections 218(d)(5)(A),
4 218(d)(8)(D) and 218(1)(1) of that Act.

5 The term "investigator for the Illinois Liquor Control
6 Commission" means any person employed as such by the
7 Illinois Liquor Control Commission and vested with such
8 peace officer duties as render the person ineligible for
9 coverage under the Social Security Act by reason of
10 Sections 218(d)(5)(A), 218(d)(8)(D), and 218(1)(1) of that
11 Act.

12 The term "investigator for the Illinois Gaming Board"
13 means any person employed as such by the Illinois Gaming
14 Board and vested with such peace officer duties as render
15 the person ineligible for coverage under the Social
16 Security Act by reason of Sections 218(d)(5)(A),
17 218(d)(8)(D), and 218(1)(1) of that Act.

18 (8) The term "security employee of the Department of
19 Human Services" means any person employed by the
20 Department of Human Services who (i) is employed at the
21 Chester Mental Health Center and has daily contact with
22 the residents thereof, (ii) is employed within a security
23 unit at a facility operated by the Department and has
24 daily contact with the residents of the security unit,
25 (iii) is employed at a facility operated by the Department
26 that includes a security unit and is regularly scheduled

1 to work at least 50% of his or her working hours within
2 that security unit, or (iv) is a mental health police
3 officer. "Mental health police officer" means any person
4 employed by the Department of Human Services in a position
5 pertaining to the Department's mental health and
6 developmental disabilities functions who is vested with
7 such law enforcement duties as render the person
8 ineligible for coverage under the Social Security Act by
9 reason of Sections 218(d)(5)(A), 218(d)(8)(D) and
10 218(1)(1) of that Act. "Security unit" means that portion
11 of a facility that is devoted to the care, containment,
12 and treatment of persons committed to the Department of
13 Human Services as sexually violent persons, persons unfit
14 to stand trial, or persons not guilty by reason of
15 insanity. With respect to past employment, references to
16 the Department of Human Services include its predecessor,
17 the Department of Mental Health and Developmental
18 Disabilities.

19 The changes made to this subdivision (c)(8) by Public
20 Act 92-14 apply to persons who retire on or after January
21 1, 2001, notwithstanding Section 1-103.1.

22 (9) "Central Management Services security police
23 officer" means any person employed by the Department of
24 Central Management Services who is vested with such law
25 enforcement duties as render him ineligible for coverage
26 under the Social Security Act by reason of Sections

1 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act.

2 (10) For a member who first became an employee under
3 this Article before July 1, 2005, the term "security
4 employee of the Department of Corrections or the
5 Department of Juvenile Justice" means any employee of the
6 Department of Corrections or the Department of Juvenile
7 Justice or the former Department of Personnel, and any
8 member or employee of the Prisoner Review Board, who has
9 daily contact with inmates or youth by working within a
10 correctional facility or Juvenile facility operated by the
11 Department of Juvenile Justice or who is a parole officer
12 or an employee who has direct contact with committed
13 persons in the performance of his or her job duties. For a
14 member who first becomes an employee under this Article on
15 or after July 1, 2005, the term means an employee of the
16 Department of Corrections or the Department of Juvenile
17 Justice who is any of the following: (i) officially
18 headquartered at a correctional facility or Juvenile
19 facility operated by the Department of Juvenile Justice,
20 (ii) a parole officer, (iii) a member of the apprehension
21 unit, (iv) a member of the intelligence unit, (v) a member
22 of the sort team, or (vi) an investigator.

23 (11) The term "dangerous drugs investigator" means any
24 person who is employed as such by the Department of Human
25 Services.

26 (12) The term "investigator for the Department of

1 State Police" means a person employed by the Department of
2 State Police who is vested under Section 4 of the Narcotic
3 Control Division Abolition Act with such law enforcement
4 powers as render him ineligible for coverage under the
5 Social Security Act by reason of Sections 218(d)(5)(A),
6 218(d)(8)(D) and 218(1)(1) of that Act.

7 (13) "Investigator for the Office of the Attorney
8 General" means any person who is employed as such by the
9 Office of the Attorney General and is vested with such
10 investigative duties as render him ineligible for coverage
11 under the Social Security Act by reason of Sections
12 218(d)(5)(A), 218(d)(8)(D) and 218(1)(1) of that Act. For
13 the period before January 1, 1989, the term includes all
14 persons who were employed as investigators by the Office
15 of the Attorney General, without regard to social security
16 status.

17 (14) "Controlled substance inspector" means any person
18 who is employed as such by the Department of Professional
19 Regulation and is vested with such law enforcement duties
20 as render him ineligible for coverage under the Social
21 Security Act by reason of Sections 218(d)(5)(A),
22 218(d)(8)(D) and 218(1)(1) of that Act. The term
23 "controlled substance inspector" includes the Program
24 Executive of Enforcement and the Assistant Program
25 Executive of Enforcement.

26 (15) The term "investigator for the Office of the

1 State's Attorneys Appellate Prosecutor" means a person
2 employed in that capacity on a full time basis under the
3 authority of Section 7.06 of the State's Attorneys
4 Appellate Prosecutor's Act.

5 (16) "Commerce Commission police officer" means any
6 person employed by the Illinois Commerce Commission who is
7 vested with such law enforcement duties as render him
8 ineligible for coverage under the Social Security Act by
9 reason of Sections 218(d)(5)(A), 218(d)(8)(D), and
10 218(1)(1) of that Act.

11 (17) "Arson investigator" means any person who is
12 employed as such by the Office of the State Fire Marshal
13 and is vested with such law enforcement duties as render
14 the person ineligible for coverage under the Social
15 Security Act by reason of Sections 218(d)(5)(A),
16 218(d)(8)(D), and 218(1)(1) of that Act. A person who was
17 employed as an arson investigator on January 1, 1995 and
18 is no longer in service but not yet receiving a retirement
19 annuity may convert his or her creditable service for
20 employment as an arson investigator into eligible
21 creditable service by paying to the System the difference
22 between the employee contributions actually paid for that
23 service and the amounts that would have been contributed
24 if the applicant were contributing at the rate applicable
25 to persons with the same social security status earning
26 eligible creditable service on the date of application.

1 (18) The term "State highway maintenance worker" means
2 a person who is either of the following:

3 (i) A person employed on a full-time basis by the
4 Illinois Department of Transportation in the position
5 of highway maintainer, highway maintenance lead
6 worker, highway maintenance lead/lead worker, heavy
7 construction equipment operator, power shovel
8 operator, or bridge mechanic; and whose principal
9 responsibility is to perform, on the roadway, the
10 actual maintenance necessary to keep the highways that
11 form a part of the State highway system in serviceable
12 condition for vehicular traffic.

13 (ii) A person employed on a full-time basis by the
14 Illinois State Toll Highway Authority in the position
15 of equipment operator/laborer H-4, equipment
16 operator/laborer H-6, welder H-4, welder H-6,
17 mechanical/electrical H-4, mechanical/electrical H-6,
18 water/sewer H-4, water/sewer H-6, sign maker/hanger
19 H-4, sign maker/hanger H-6, roadway lighting H-4,
20 roadway lighting H-6, structural H-4, structural H-6,
21 painter H-4, or painter H-6; and whose principal
22 responsibility is to perform, on the roadway, the
23 actual maintenance necessary to keep the Authority's
24 tollways in serviceable condition for vehicular
25 traffic.

26 (19) The term "security employee of the Department of

1 Innovation and Technology" means a person who was a
2 security employee of the Department of Corrections or the
3 Department of Juvenile Justice, was transferred to the
4 Department of Innovation and Technology pursuant to
5 Executive Order 2016-01, and continues to perform similar
6 job functions under that Department.

7 (20) "Transferred employee" means an employee who was
8 transferred to the Department of Central Management
9 Services by Executive Order No. 2003-10 or Executive Order
10 No. 2004-2 or transferred to the Department of Innovation
11 and Technology by Executive Order No. 2016-1, or both, and
12 was entitled to eligible creditable service for services
13 immediately preceding the transfer.

14 (d) A security employee of the Department of Corrections
15 or the Department of Juvenile Justice, a security employee of
16 the Department of Human Services who is not a mental health
17 police officer, and a security employee of the Department of
18 Innovation and Technology shall not be eligible for the
19 alternative retirement annuity provided by this Section unless
20 he or she meets the following minimum age and service
21 requirements at the time of retirement:

22 (i) 25 years of eligible creditable service and age
23 55; or

24 (ii) beginning January 1, 1987, 25 years of eligible
25 creditable service and age 54, or 24 years of eligible
26 creditable service and age 55; or

1 (iii) beginning January 1, 1988, 25 years of eligible
2 creditable service and age 53, or 23 years of eligible
3 creditable service and age 55; or

4 (iv) beginning January 1, 1989, 25 years of eligible
5 creditable service and age 52, or 22 years of eligible
6 creditable service and age 55; or

7 (v) beginning January 1, 1990, 25 years of eligible
8 creditable service and age 51, or 21 years of eligible
9 creditable service and age 55; or

10 (vi) beginning January 1, 1991, 25 years of eligible
11 creditable service and age 50, or 20 years of eligible
12 creditable service and age 55.

13 Persons who have service credit under Article 16 of this
14 Code for service as a security employee of the Department of
15 Corrections or the Department of Juvenile Justice, or the
16 Department of Human Services in a position requiring
17 certification as a teacher may count such service toward
18 establishing their eligibility under the service requirements
19 of this Section; but such service may be used only for
20 establishing such eligibility, and not for the purpose of
21 increasing or calculating any benefit.

22 (e) If a member enters military service while working in a
23 position in which eligible creditable service may be earned,
24 and returns to State service in the same or another such
25 position, and fulfills in all other respects the conditions
26 prescribed in this Article for credit for military service,

1 such military service shall be credited as eligible creditable
2 service for the purposes of the retirement annuity prescribed
3 in this Section.

4 (f) For purposes of calculating retirement annuities under
5 this Section, periods of service rendered after December 31,
6 1968 and before October 1, 1975 as a covered employee in the
7 position of special agent, conservation police officer, mental
8 health police officer, or investigator for the Secretary of
9 State, shall be deemed to have been service as a noncovered
10 employee, provided that the employee pays to the System prior
11 to retirement an amount equal to (1) the difference between
12 the employee contributions that would have been required for
13 such service as a noncovered employee, and the amount of
14 employee contributions actually paid, plus (2) if payment is
15 made after July 31, 1987, regular interest on the amount
16 specified in item (1) from the date of service to the date of
17 payment.

18 For purposes of calculating retirement annuities under
19 this Section, periods of service rendered after December 31,
20 1968 and before January 1, 1982 as a covered employee in the
21 position of investigator for the Department of Revenue shall
22 be deemed to have been service as a noncovered employee,
23 provided that the employee pays to the System prior to
24 retirement an amount equal to (1) the difference between the
25 employee contributions that would have been required for such
26 service as a noncovered employee, and the amount of employee

1 contributions actually paid, plus (2) if payment is made after
2 January 1, 1990, regular interest on the amount specified in
3 item (1) from the date of service to the date of payment.

4 (g) A State policeman may elect, not later than January 1,
5 1990, to establish eligible creditable service for up to 10
6 years of his service as a policeman under Article 3, by filing
7 a written election with the Board, accompanied by payment of
8 an amount to be determined by the Board, equal to (i) the
9 difference between the amount of employee and employer
10 contributions transferred to the System under Section 3-110.5,
11 and the amounts that would have been contributed had such
12 contributions been made at the rates applicable to State
13 policemen, plus (ii) interest thereon at the effective rate
14 for each year, compounded annually, from the date of service
15 to the date of payment.

16 Subject to the limitation in subsection (i), a State
17 policeman may elect, not later than July 1, 1993, to establish
18 eligible creditable service for up to 10 years of his service
19 as a member of the County Police Department under Article 9, by
20 filing a written election with the Board, accompanied by
21 payment of an amount to be determined by the Board, equal to
22 (i) the difference between the amount of employee and employer
23 contributions transferred to the System under Section 9-121.10
24 and the amounts that would have been contributed had those
25 contributions been made at the rates applicable to State
26 policemen, plus (ii) interest thereon at the effective rate

1 for each year, compounded annually, from the date of service
2 to the date of payment.

3 (h) Subject to the limitation in subsection (i), a State
4 policeman or investigator for the Secretary of State may elect
5 to establish eligible creditable service for up to 12 years of
6 his service as a policeman under Article 5, by filing a written
7 election with the Board on or before January 31, 1992, and
8 paying to the System by January 31, 1994 an amount to be
9 determined by the Board, equal to (i) the difference between
10 the amount of employee and employer contributions transferred
11 to the System under Section 5-236, and the amounts that would
12 have been contributed had such contributions been made at the
13 rates applicable to State policemen, plus (ii) interest
14 thereon at the effective rate for each year, compounded
15 annually, from the date of service to the date of payment.

16 Subject to the limitation in subsection (i), a State
17 policeman, conservation police officer, or investigator for
18 the Secretary of State may elect to establish eligible
19 creditable service for up to 10 years of service as a sheriff's
20 law enforcement employee under Article 7, by filing a written
21 election with the Board on or before January 31, 1993, and
22 paying to the System by January 31, 1994 an amount to be
23 determined by the Board, equal to (i) the difference between
24 the amount of employee and employer contributions transferred
25 to the System under Section 7-139.7, and the amounts that
26 would have been contributed had such contributions been made

1 at the rates applicable to State policemen, plus (ii) interest
2 thereon at the effective rate for each year, compounded
3 annually, from the date of service to the date of payment.

4 Subject to the limitation in subsection (i), a State
5 policeman, conservation police officer, or investigator for
6 the Secretary of State may elect to establish eligible
7 creditable service for up to 5 years of service as a police
8 officer under Article 3, a policeman under Article 5, a
9 sheriff's law enforcement employee under Article 7, a member
10 of the county police department under Article 9, or a police
11 officer under Article 15 by filing a written election with the
12 Board and paying to the System an amount to be determined by
13 the Board, equal to (i) the difference between the amount of
14 employee and employer contributions transferred to the System
15 under Section 3-110.6, 5-236, 7-139.8, 9-121.10, or 15-134.4
16 and the amounts that would have been contributed had such
17 contributions been made at the rates applicable to State
18 policemen, plus (ii) interest thereon at the effective rate
19 for each year, compounded annually, from the date of service
20 to the date of payment.

21 Subject to the limitation in subsection (i), an
22 investigator for the Office of the Attorney General, or an
23 investigator for the Department of Revenue, may elect to
24 establish eligible creditable service for up to 5 years of
25 service as a police officer under Article 3, a policeman under
26 Article 5, a sheriff's law enforcement employee under Article

1 7, or a member of the county police department under Article 9
2 by filing a written election with the Board within 6 months
3 after August 25, 2009 (the effective date of Public Act
4 96-745) and paying to the System an amount to be determined by
5 the Board, equal to (i) the difference between the amount of
6 employee and employer contributions transferred to the System
7 under Section 3-110.6, 5-236, 7-139.8, or 9-121.10 and the
8 amounts that would have been contributed had such
9 contributions been made at the rates applicable to State
10 policemen, plus (ii) interest thereon at the actuarially
11 assumed rate for each year, compounded annually, from the date
12 of service to the date of payment.

13 Subject to the limitation in subsection (i), a State
14 policeman, conservation police officer, investigator for the
15 Office of the Attorney General, an investigator for the
16 Department of Revenue, or investigator for the Secretary of
17 State may elect to establish eligible creditable service for
18 up to 5 years of service as a person employed by a
19 participating municipality to perform police duties, or law
20 enforcement officer employed on a full-time basis by a forest
21 preserve district under Article 7, a county corrections
22 officer, or a court services officer under Article 9, by
23 filing a written election with the Board within 6 months after
24 August 25, 2009 (the effective date of Public Act 96-745) and
25 paying to the System an amount to be determined by the Board,
26 equal to (i) the difference between the amount of employee and

1 employer contributions transferred to the System under
2 Sections 7-139.8 and 9-121.10 and the amounts that would have
3 been contributed had such contributions been made at the rates
4 applicable to State policemen, plus (ii) interest thereon at
5 the actuarially assumed rate for each year, compounded
6 annually, from the date of service to the date of payment.

7 Subject to the limitation in subsection (i), an
8 investigator for the Illinois Liquor Control Commission may
9 elect to establish eligible creditable service for up to 5
10 years of service as a police officer under Article 3, a
11 policeman under Article 5, a sheriff's law enforcement
12 employee under Article 7, or a member of the county police
13 department under Article 9 by filing a written election with
14 the Board within 6 months after the effective date of this
15 amendatory Act of the 102nd General Assembly and paying to the
16 System an amount to be determined by the Board, equal to (i)
17 the difference between the amount of employee and employer
18 contributions transferred to the System under Section 3-110.6,
19 5-236, 7-139.8, or 9-121.10 and the amounts that would have
20 been contributed had such contributions been made at the rates
21 applicable to State policemen, plus (ii) interest thereon at
22 the actuarially assumed rate for each year, compounded
23 annually, from the date of service to the date of payment.

24 (i) The total amount of eligible creditable service
25 established by any person under subsections (g), (h), (j),
26 (k), (l), (1-5), ~~and~~ (o), and (p) of this Section shall not

1 exceed 12 years.

2 (j) Subject to the limitation in subsection (i), an
3 investigator for the Office of the State's Attorneys Appellate
4 Prosecutor or a controlled substance inspector may elect to
5 establish eligible creditable service for up to 10 years of
6 his service as a policeman under Article 3 or a sheriff's law
7 enforcement employee under Article 7, by filing a written
8 election with the Board, accompanied by payment of an amount
9 to be determined by the Board, equal to (1) the difference
10 between the amount of employee and employer contributions
11 transferred to the System under Section 3-110.6 or 7-139.8,
12 and the amounts that would have been contributed had such
13 contributions been made at the rates applicable to State
14 policemen, plus (2) interest thereon at the effective rate for
15 each year, compounded annually, from the date of service to
16 the date of payment.

17 (k) Subject to the limitation in subsection (i) of this
18 Section, an alternative formula employee may elect to
19 establish eligible creditable service for periods spent as a
20 full-time law enforcement officer or full-time corrections
21 officer employed by the federal government or by a state or
22 local government located outside of Illinois, for which credit
23 is not held in any other public employee pension fund or
24 retirement system. To obtain this credit, the applicant must
25 file a written application with the Board by March 31, 1998,
26 accompanied by evidence of eligibility acceptable to the Board

1 and payment of an amount to be determined by the Board, equal
2 to (1) employee contributions for the credit being
3 established, based upon the applicant's salary on the first
4 day as an alternative formula employee after the employment
5 for which credit is being established and the rates then
6 applicable to alternative formula employees, plus (2) an
7 amount determined by the Board to be the employer's normal
8 cost of the benefits accrued for the credit being established,
9 plus (3) regular interest on the amounts in items (1) and (2)
10 from the first day as an alternative formula employee after
11 the employment for which credit is being established to the
12 date of payment.

13 (1) Subject to the limitation in subsection (i), a
14 security employee of the Department of Corrections may elect,
15 not later than July 1, 1998, to establish eligible creditable
16 service for up to 10 years of his or her service as a policeman
17 under Article 3, by filing a written election with the Board,
18 accompanied by payment of an amount to be determined by the
19 Board, equal to (i) the difference between the amount of
20 employee and employer contributions transferred to the System
21 under Section 3-110.5, and the amounts that would have been
22 contributed had such contributions been made at the rates
23 applicable to security employees of the Department of
24 Corrections, plus (ii) interest thereon at the effective rate
25 for each year, compounded annually, from the date of service
26 to the date of payment.

1 (1-5) Subject to the limitation in subsection (i) of this
2 Section, a State policeman may elect to establish eligible
3 creditable service for up to 5 years of service as a full-time
4 law enforcement officer employed by the federal government or
5 by a state or local government located outside of Illinois for
6 which credit is not held in any other public employee pension
7 fund or retirement system. To obtain this credit, the
8 applicant must file a written application with the Board no
9 later than 3 years after the effective date of this amendatory
10 Act of the 101st General Assembly, accompanied by evidence of
11 eligibility acceptable to the Board and payment of an amount
12 to be determined by the Board, equal to (1) employee
13 contributions for the credit being established, based upon the
14 applicant's salary on the first day as an alternative formula
15 employee after the employment for which credit is being
16 established and the rates then applicable to alternative
17 formula employees, plus (2) an amount determined by the Board
18 to be the employer's normal cost of the benefits accrued for
19 the credit being established, plus (3) regular interest on the
20 amounts in items (1) and (2) from the first day as an
21 alternative formula employee after the employment for which
22 credit is being established to the date of payment.

23 (m) The amendatory changes to this Section made by this
24 amendatory Act of the 94th General Assembly apply only to: (1)
25 security employees of the Department of Juvenile Justice
26 employed by the Department of Corrections before the effective

1 date of this amendatory Act of the 94th General Assembly and
2 transferred to the Department of Juvenile Justice by this
3 amendatory Act of the 94th General Assembly; and (2) persons
4 employed by the Department of Juvenile Justice on or after the
5 effective date of this amendatory Act of the 94th General
6 Assembly who are required by subsection (b) of Section
7 3-2.5-15 of the Unified Code of Corrections to have any
8 bachelor's or advanced degree from an accredited college or
9 university or, in the case of persons who provide vocational
10 training, who are required to have adequate knowledge in the
11 skill for which they are providing the vocational training.

12 (n) A person employed in a position under subsection (b)
13 of this Section who has purchased service credit under
14 subsection (j) of Section 14-104 or subsection (b) of Section
15 14-105 in any other capacity under this Article may convert up
16 to 5 years of that service credit into service credit covered
17 under this Section by paying to the Fund an amount equal to (1)
18 the additional employee contribution required under Section
19 14-133, plus (2) the additional employer contribution required
20 under Section 14-131, plus (3) interest on items (1) and (2) at
21 the actuarially assumed rate from the date of the service to
22 the date of payment.

23 (o) Subject to the limitation in subsection (i), a
24 conservation police officer, investigator for the Secretary of
25 State, Commerce Commission police officer, investigator for
26 the Department of Revenue or the Illinois Gaming Board, or

1 arson investigator subject to subsection (g) of Section 1-160
2 may elect to convert up to 8 years of service credit
3 established before the effective date of this amendatory Act
4 of the 101st General Assembly as a conservation police
5 officer, investigator for the Secretary of State, Commerce
6 Commission police officer, investigator for the Department of
7 Revenue or the Illinois Gaming Board, or arson investigator
8 under this Article into eligible creditable service by filing
9 a written election with the Board no later than one year after
10 the effective date of this amendatory Act of the 101st General
11 Assembly, accompanied by payment of an amount to be determined
12 by the Board equal to (i) the difference between the amount of
13 the employee contributions actually paid for that service and
14 the amount of the employee contributions that would have been
15 paid had the employee contributions been made as a noncovered
16 employee serving in a position in which eligible creditable
17 service, as defined in this Section, may be earned, plus (ii)
18 interest thereon at the effective rate for each year,
19 compounded annually, from the date of service to the date of
20 payment.

21 (p) Subject to the limitation in subsection (i), an
22 investigator for the Illinois Liquor Control Commission may
23 elect to convert up to 8 years of service credit established
24 before the effective date of this amendatory Act of the 102nd
25 General Assembly as an investigator for the Illinois Liquor
26 Control Commission under this Article into eligible creditable

1 service by filing a written election with the Board no later
2 than one year after the effective date of this amendatory Act
3 of the 102nd General Assembly, accompanied by payment of an
4 amount to be determined by the Board equal to (i) the
5 difference between the amount of the employee contributions
6 actually paid for that service and the amount of the employee
7 contributions that would have been paid had the employee
8 contributions been made as a noncovered employee serving in a
9 position in which eligible creditable service, as defined in
10 this Section, may be earned, plus (ii) interest thereon at the
11 effective rate for each year, compounded annually, from the
12 date of service to the date of payment.

13 (Source: P.A. 100-19, eff. 1-1-18; 100-611, eff. 7-20-18;
14 101-610, eff. 1-1-20.)

15 (40 ILCS 5/14-152.1)

16 Sec. 14-152.1. Application and expiration of new benefit
17 increases.

18 (a) As used in this Section, "new benefit increase" means
19 an increase in the amount of any benefit provided under this
20 Article, or an expansion of the conditions of eligibility for
21 any benefit under this Article, that results from an amendment
22 to this Code that takes effect after June 1, 2005 (the
23 effective date of Public Act 94-4). "New benefit increase",
24 however, does not include any benefit increase resulting from
25 the changes made to Article 1 or this Article by Public Act

1 96-37, Public Act 100-23, Public Act 100-587, Public Act
2 100-611, Public Act 101-10, Public Act 101-610, or this
3 amendatory Act of the 102nd General Assembly ~~or this~~
4 ~~amendatory Act of the 101st General Assembly.~~

5 (b) Notwithstanding any other provision of this Code or
6 any subsequent amendment to this Code, every new benefit
7 increase is subject to this Section and shall be deemed to be
8 granted only in conformance with and contingent upon
9 compliance with the provisions of this Section.

10 (c) The Public Act enacting a new benefit increase must
11 identify and provide for payment to the System of additional
12 funding at least sufficient to fund the resulting annual
13 increase in cost to the System as it accrues.

14 Every new benefit increase is contingent upon the General
15 Assembly providing the additional funding required under this
16 subsection. The Commission on Government Forecasting and
17 Accountability shall analyze whether adequate additional
18 funding has been provided for the new benefit increase and
19 shall report its analysis to the Public Pension Division of
20 the Department of Insurance. A new benefit increase created by
21 a Public Act that does not include the additional funding
22 required under this subsection is null and void. If the Public
23 Pension Division determines that the additional funding
24 provided for a new benefit increase under this subsection is
25 or has become inadequate, it may so certify to the Governor and
26 the State Comptroller and, in the absence of corrective action

1 by the General Assembly, the new benefit increase shall expire
2 at the end of the fiscal year in which the certification is
3 made.

4 (d) Every new benefit increase shall expire 5 years after
5 its effective date or on such earlier date as may be specified
6 in the language enacting the new benefit increase or provided
7 under subsection (c). This does not prevent the General
8 Assembly from extending or re-creating a new benefit increase
9 by law.

10 (e) Except as otherwise provided in the language creating
11 the new benefit increase, a new benefit increase that expires
12 under this Section continues to apply to persons who applied
13 and qualified for the affected benefit while the new benefit
14 increase was in effect and to the affected beneficiaries and
15 alternate payees of such persons, but does not apply to any
16 other person, including, without limitation, a person who
17 continues in service after the expiration date and did not
18 apply and qualify for the affected benefit while the new
19 benefit increase was in effect.

20 (Source: P.A. 100-23, eff. 7-6-17; 100-587, eff. 6-4-18;
21 100-611, eff. 7-20-18; 101-10, eff. 6-5-19; 101-81, eff.
22 7-12-19; 101-610, eff. 1-1-20.)

23 Section 10. The Liquor Control Act of 1934 is amended by
24 changing Sections 3-12, 4-4, 8-2, 10-8, and 10-6 and by adding
25 Section 3-4.1 as follows:

1 (235 ILCS 5/3-4.1 new)

2 Sec. 3-4.1. Obtaining evidence. The State Commission has
3 the power to expend sums that the Executive Director deems
4 necessary for the purchase of evidence and for the employment
5 of persons to obtain evidence. The sums shall be advanced to
6 employees authorized by the Executive Director to expend
7 funds, on vouchers signed by the Executive Director.

8 In addition, the Executive Director is authorized to
9 maintain one or more commercial checking accounts with any
10 State banking corporation or corporations organized under or
11 subject to the Illinois Banking Act for the deposit and
12 withdrawal of moneys to be used solely for the purchase of
13 evidence and for the employment of persons to obtain evidence.
14 No check may be written on nor any withdrawal made from such an
15 account except on the written signature of 2 persons
16 designated by the Executive Director to write those checks and
17 make those withdrawals. The balance of moneys on deposit in
18 any such account shall not exceed \$25,000 at any time, nor
19 shall any one check written on or single withdrawal made from
20 any such account exceed \$25,000.

21 (235 ILCS 5/3-12)

22 Sec. 3-12. Powers and duties of State Commission.

23 (a) The State Commission shall have the following powers,
24 functions, and duties:

1 (1) To receive applications and to issue licenses to
2 manufacturers, foreign importers, importing distributors,
3 distributors, non-resident dealers, on premise consumption
4 retailers, off premise sale retailers, special event
5 retailer licensees, special use permit licenses, auction
6 liquor licenses, brew pubs, caterer retailers,
7 non-beverage users, railroads, including owners and
8 lessees of sleeping, dining and cafe cars, airplanes,
9 boats, brokers, and wine maker's premises licensees in
10 accordance with the provisions of this Act, and to suspend
11 or revoke such licenses upon the State Commission's
12 determination, upon notice after hearing, that a licensee
13 has violated any provision of this Act or any rule or
14 regulation issued pursuant thereto and in effect for 30
15 days prior to such violation. Except in the case of an
16 action taken pursuant to a violation of Section 6-3, 6-5,
17 or 6-9, any action by the State Commission to suspend or
18 revoke a licensee's license may be limited to the license
19 for the specific premises where the violation occurred. An
20 action for a violation of this Act shall be commenced by
21 the State Commission not more than 18 months after
22 conviction of the violation of the Act or other State law
23 in a circuit court or, if there has not been a conviction,
24 not more than 3 years after the violation occurred ~~within~~
25 ~~2 years after the date the State Commission becomes aware~~
26 ~~of the violation.~~

1 In lieu of suspending or revoking a license, the
2 commission may impose a fine, upon the State Commission's
3 determination and notice after hearing, that a licensee
4 has violated any provision of this Act or any rule or
5 regulation issued pursuant thereto and in effect for 30
6 days prior to such violation.

7 For the purpose of this paragraph (1), when
8 determining multiple violations for the sale of alcohol to
9 a person under the age of 21, a second or subsequent
10 violation for the sale of alcohol to a person under the age
11 of 21 shall only be considered if it was committed within 5
12 years after the date when a prior violation for the sale of
13 alcohol to a person under the age of 21 was committed.

14 The fine imposed under this paragraph may not exceed
15 \$500 for each violation. Each day that the activity, which
16 gave rise to the original fine, continues is a separate
17 violation. The maximum fine that may be levied against any
18 licensee, for the period of the license, shall not exceed
19 \$20,000. The maximum penalty that may be imposed on a
20 licensee for selling a bottle of alcoholic liquor with a
21 foreign object in it or serving from a bottle of alcoholic
22 liquor with a foreign object in it shall be the
23 destruction of that bottle of alcoholic liquor for the
24 first 10 bottles so sold or served from by the licensee.
25 For the eleventh bottle of alcoholic liquor and for each
26 third bottle thereafter sold or served from by the

1 licensee with a foreign object in it, the maximum penalty
2 that may be imposed on the licensee is the destruction of
3 the bottle of alcoholic liquor and a fine of up to \$50.

4 Any notice issued by the State Commission to a
5 licensee for a violation of this Act or any notice with
6 respect to settlement or offer in compromise shall ~~include~~
7 ~~the field report, photographs, and any other supporting~~
8 ~~documentation necessary to~~ reasonably inform the licensee
9 of the nature and extent of the violation or the conduct
10 alleged to have occurred, which may include, but is not
11 limited to, the field report, photographs, and any other
12 supporting documentation. The failure to reasonably inform
13 the licensee ~~include such required documentation~~ shall
14 result in the dismissal of the action.

15 (2) To adopt such rules and regulations consistent
16 with the provisions of this Act which shall be necessary
17 to carry on its functions and duties to the end that the
18 health, safety and welfare of the People of the State of
19 Illinois shall be protected and temperance in the
20 consumption of alcoholic liquors shall be fostered and
21 promoted and to distribute copies of such rules and
22 regulations to all licensees affected thereby.

23 (3) To call upon other administrative departments of
24 the State, county and municipal governments, county and
25 city police departments and upon prosecuting officers for
26 such information and assistance as it deems necessary in

1 the performance of its duties.

2 (4) To recommend to local commissioners rules and
3 regulations, not inconsistent with the law, for the
4 distribution and sale of alcoholic liquors throughout the
5 State.

6 (5) To inspect, or cause to be inspected, at
7 reasonable times any premises in this State where
8 alcoholic liquors are manufactured, distributed,
9 warehoused, or sold. Nothing in this Act authorizes an
10 agent of the State Commission to inspect private areas
11 within the premises without reasonable suspicion or a
12 warrant during an inspection. "Private areas" include, but
13 are not limited to, safes, personal property, and closed
14 desks.

15 For the purposes of this paragraph (5), the term "at
16 reasonable times" means (i) during normal business hours;
17 (ii) during the hours of operation of the business; (iii)
18 any time the business is found to be operating; or (iv) any
19 time when a customer is in the business, including before
20 or after the hours of operation of such business.

21 (5.1) Upon receipt of a complaint or upon having
22 knowledge that any person is engaged in business as a
23 manufacturer, importing distributor, distributor, or
24 retailer without a license or valid license, to conduct an
25 investigation. If, after conducting an investigation, the
26 State Commission is satisfied that the alleged conduct

1 occurred or is occurring, it may issue a cease and desist
2 notice as provided in this Act, impose civil penalties as
3 provided in this Act, notify the local liquor authority,
4 or file a complaint with the State's Attorney's Office of
5 the county where the incident occurred or the Attorney
6 General.

7 (5.2) Upon receipt of a complaint or upon having
8 knowledge that any person is shipping alcoholic liquor
9 into this State from a point outside of this State if the
10 shipment is in violation of this Act, to conduct an
11 investigation. If, after conducting an investigation, the
12 State Commission is satisfied that the alleged conduct
13 occurred or is occurring, it may issue a cease and desist
14 notice as provided in this Act, impose civil penalties as
15 provided in this Act, notify the foreign jurisdiction, or
16 file a complaint with the State's Attorney's Office of the
17 county where the incident occurred or the Attorney
18 General.

19 (5.3) To receive complaints from licensees, local
20 officials, law enforcement agencies, organizations, and
21 persons stating that any licensee has been or is violating
22 any provision of this Act or the rules and regulations
23 issued pursuant to this Act. Such complaints shall be in
24 writing, signed and sworn to by the person making the
25 complaint, and shall state with specificity the facts in
26 relation to the alleged violation. If the State Commission

1 has reasonable grounds to believe that the complaint
2 substantially alleges a violation of this Act or rules and
3 regulations adopted pursuant to this Act, it shall conduct
4 an investigation. If, after conducting an investigation,
5 the State Commission is satisfied that the alleged
6 violation did occur, it shall proceed with disciplinary
7 action against the licensee as provided in this Act.

8 (5.4) To make arrests and issue notices of civil
9 violations where necessary for the enforcement of this
10 Act.

11 (5.5) To investigate any and all unlicensed activity.

12 (5.6) To impose civil penalties or fines to any person
13 who, without holding a valid license, engages in conduct
14 that requires a license pursuant to this Act, in an amount
15 not to exceed \$20,000 for each offense as determined by
16 the State Commission. A civil penalty shall be assessed by
17 the State Commission after a hearing is held in accordance
18 with the provisions set forth in this Act regarding the
19 provision of a hearing for the revocation or suspension of
20 a license.

21 (6) To hear and determine appeals from orders of a
22 local commission in accordance with the provisions of this
23 Act, as hereinafter set forth. Hearings under this
24 subsection shall be held in Springfield or Chicago, at
25 whichever location is the more convenient for the majority
26 of persons who are parties to the hearing.

1 (7) The State Commission shall establish uniform
2 systems of accounts to be kept by all retail licensees
3 having more than 4 employees, and for this purpose the
4 State Commission may classify all retail licensees having
5 more than 4 employees and establish a uniform system of
6 accounts for each class and prescribe the manner in which
7 such accounts shall be kept. The State Commission may also
8 prescribe the forms of accounts to be kept by all retail
9 licensees having more than 4 employees, including, but not
10 limited to, accounts of earnings and expenses and any
11 distribution, payment, or other distribution of earnings
12 or assets, and any other forms, records, and memoranda
13 which in the judgment of the commission may be necessary
14 or appropriate to carry out any of the provisions of this
15 Act, including, but not limited to, such forms, records,
16 and memoranda as will readily and accurately disclose at
17 all times the beneficial ownership of such retail licensed
18 business. The accounts, forms, records, and memoranda
19 shall be available at all reasonable times for inspection
20 by authorized representatives of the State Commission or
21 by any local liquor control commissioner or his or her
22 authorized representative. The commission, may, from time
23 to time, alter, amend, or repeal, in whole or in part, any
24 uniform system of accounts, or the form and manner of
25 keeping accounts.

26 (8) In the conduct of any hearing authorized to be

1 held by the State Commission, to appoint, at the
2 commission's discretion, hearing officers to conduct
3 hearings involving complex issues or issues that will
4 require a protracted period of time to resolve, to
5 examine, or cause to be examined, under oath, any
6 licensee, and to examine or cause to be examined the books
7 and records of such licensee; to hear testimony and take
8 proof material for its information in the discharge of its
9 duties hereunder; to administer or cause to be
10 administered oaths; for any such purpose to issue subpoena
11 or subpoenas to require the attendance of witnesses and
12 the production of books, which shall be effective in any
13 part of this State, and to adopt rules to implement its
14 powers under this paragraph (8).

15 Any circuit court may, by order duly entered, require
16 the attendance of witnesses and the production of relevant
17 books subpoenaed by the State Commission and the court may
18 compel obedience to its order by proceedings for contempt.

19 (9) To investigate the administration of laws in
20 relation to alcoholic liquors in this and other states and
21 any foreign countries, and to recommend from time to time
22 to the Governor and through him or her to the legislature
23 of this State, such amendments to this Act, if any, as it
24 may think desirable and as will serve to further the
25 general broad purposes contained in Section 1-2 hereof.

26 (10) To adopt such rules and regulations consistent

1 with the provisions of this Act which shall be necessary
2 for the control, sale, or disposition of alcoholic liquor
3 damaged as a result of an accident, wreck, flood, fire, or
4 other similar occurrence.

5 (11) To develop industry educational programs related
6 to responsible serving and selling, particularly in the
7 areas of overserving consumers and illegal underage
8 purchasing and consumption of alcoholic beverages.

9 (11.1) To license persons providing education and
10 training to alcohol beverage sellers and servers for
11 mandatory and non-mandatory training under the Beverage
12 Alcohol Sellers and Servers Education and Training
13 (BASSET) programs and to develop and administer a public
14 awareness program in Illinois to reduce or eliminate the
15 illegal purchase and consumption of alcoholic beverage
16 products by persons under the age of 21. Application for a
17 license shall be made on forms provided by the State
18 Commission.

19 (12) To develop and maintain a repository of license
20 and regulatory information.

21 (13) (Blank).

22 (14) On or before April 30, 2008 and every 2 years
23 thereafter, the State Commission shall present a written
24 report to the Governor and the General Assembly that shall
25 be based on a study of the impact of Public Act 95-634 on
26 the business of soliciting, selling, and shipping wine

1 from inside and outside of this State directly to
2 residents of this State. As part of its report, the State
3 Commission shall provide all of the following information:

4 (A) The amount of State excise and sales tax
5 revenues generated.

6 (B) The amount of licensing fees received.

7 (C) The number of cases of wine shipped from
8 inside and outside of this State directly to residents
9 of this State.

10 (D) The number of alcohol compliance operations
11 conducted.

12 (E) The number of winery shipper's licenses
13 issued.

14 (F) The number of each of the following: reported
15 violations; cease and desist notices issued by the
16 Commission; notices of violations issued by the
17 Commission and to the Department of Revenue; and
18 notices and complaints of violations to law
19 enforcement officials, including, without limitation,
20 the Illinois Attorney General and the U.S. Department
21 of Treasury's Alcohol and Tobacco Tax and Trade
22 Bureau.

23 (15) As a means to reduce the underage consumption of
24 alcoholic liquors, the State Commission shall conduct
25 alcohol compliance operations to investigate whether
26 businesses that are soliciting, selling, and shipping wine

1 from inside or outside of this State directly to residents
2 of this State are licensed by this State or are selling or
3 attempting to sell wine to persons under 21 years of age in
4 violation of this Act.

5 (16) The State Commission shall, in addition to
6 notifying any appropriate law enforcement agency, submit
7 notices of complaints or violations of Sections 6-29 and
8 6-29.1 by persons who do not hold a winery shipper's
9 license under this Act to the Illinois Attorney General
10 and to the U.S. Department of Treasury's Alcohol and
11 Tobacco Tax and Trade Bureau.

12 (17) (A) A person licensed to make wine under the laws
13 of another state who has a winery shipper's license under
14 this Act and annually produces less than 25,000 gallons of
15 wine or a person who has a first-class or second-class
16 wine manufacturer's license, a first-class or second-class
17 wine-maker's license, or a limited wine manufacturer's
18 license under this Act and annually produces less than
19 25,000 gallons of wine may make application to the
20 Commission for a self-distribution exemption to allow the
21 sale of not more than 5,000 gallons of the exemption
22 holder's wine to retail licensees per year.

23 (B) In the application, which shall be sworn under
24 penalty of perjury, such person shall state (1) the date
25 it was established; (2) its volume of production and sales
26 for each year since its establishment; (3) its efforts to

1 establish distributor relationships; (4) that a
2 self-distribution exemption is necessary to facilitate the
3 marketing of its wine; and (5) that it will comply with the
4 liquor and revenue laws of the United States, this State,
5 and any other state where it is licensed.

6 (C) The State Commission shall approve the application
7 for a self-distribution exemption if such person: (1) is
8 in compliance with State revenue and liquor laws; (2) is
9 not a member of any affiliated group that produces more
10 than 25,000 gallons of wine per annum or produces any
11 other alcoholic liquor; (3) will not annually produce for
12 sale more than 25,000 gallons of wine; and (4) will not
13 annually sell more than 5,000 gallons of its wine to
14 retail licensees.

15 (D) A self-distribution exemption holder shall
16 annually certify to the State Commission its production of
17 wine in the previous 12 months and its anticipated
18 production and sales for the next 12 months. The State
19 Commission may fine, suspend, or revoke a
20 self-distribution exemption after a hearing if it finds
21 that the exemption holder has made a material
22 misrepresentation in its application, violated a revenue
23 or liquor law of Illinois, exceeded production of 25,000
24 gallons of wine in any calendar year, or become part of an
25 affiliated group producing more than 25,000 gallons of
26 wine or any other alcoholic liquor.

1 (E) Except in hearings for violations of this Act or
2 Public Act 95-634 or a bona fide investigation by duly
3 sworn law enforcement officials, the State Commission, or
4 its agents, the State Commission shall maintain the
5 production and sales information of a self-distribution
6 exemption holder as confidential and shall not release
7 such information to any person.

8 (F) The State Commission shall issue regulations
9 governing self-distribution exemptions consistent with
10 this Section and this Act.

11 (G) Nothing in this paragraph (17) shall prohibit a
12 self-distribution exemption holder from entering into or
13 simultaneously having a distribution agreement with a
14 licensed Illinois distributor.

15 (H) It is the intent of this paragraph (17) to promote
16 and continue orderly markets. The General Assembly finds
17 that, in order to preserve Illinois' regulatory
18 distribution system, it is necessary to create an
19 exception for smaller makers of wine as their wines are
20 frequently adjusted in varietals, mixes, vintages, and
21 taste to find and create market niches sometimes too small
22 for distributor or importing distributor business
23 strategies. Limited self-distribution rights will afford
24 and allow smaller makers of wine access to the marketplace
25 in order to develop a customer base without impairing the
26 integrity of the 3-tier system.

1 (18)(A) A class 1 brewer licensee, who must also be
2 either a licensed brewer or licensed non-resident dealer
3 and annually manufacture less than 930,000 gallons of
4 beer, may make application to the State Commission for a
5 self-distribution exemption to allow the sale of not more
6 than 232,500 gallons of the exemption holder's beer per
7 year to retail licensees and to brewers, class 1 brewers,
8 and class 2 brewers that, pursuant to subsection (e) of
9 Section 6-4 of this Act, sell beer, cider, or both beer and
10 cider to non-licensees at their breweries.

11 (B) In the application, which shall be sworn under
12 penalty of perjury, the class 1 brewer licensee shall
13 state (1) the date it was established; (2) its volume of
14 beer manufactured and sold for each year since its
15 establishment; (3) its efforts to establish distributor
16 relationships; (4) that a self-distribution exemption is
17 necessary to facilitate the marketing of its beer; and (5)
18 that it will comply with the alcoholic beverage and
19 revenue laws of the United States, this State, and any
20 other state where it is licensed.

21 (C) Any application submitted shall be posted on the
22 State Commission's website at least 45 days prior to
23 action by the State Commission. The State Commission shall
24 approve the application for a self-distribution exemption
25 if the class 1 brewer licensee: (1) is in compliance with
26 the State, revenue, and alcoholic beverage laws; (2) is

1 not a member of any affiliated group that manufactures
2 more than 930,000 gallons of beer per annum or produces
3 any other alcoholic beverages; (3) shall not annually
4 manufacture for sale more than 930,000 gallons of beer;
5 (4) shall not annually sell more than 232,500 gallons of
6 its beer to retail licensees or to brewers, class 1
7 brewers, and class 2 brewers that, pursuant to subsection
8 (e) of Section 6-4 of this Act, sell beer, cider, or both
9 beer and cider to non-licensees at their breweries; and
10 (5) has relinquished any brew pub license held by the
11 licensee, including any ownership interest it held in the
12 licensed brew pub.

13 (D) A self-distribution exemption holder shall
14 annually certify to the State Commission its manufacture
15 of beer during the previous 12 months and its anticipated
16 manufacture and sales of beer for the next 12 months. The
17 State Commission may fine, suspend, or revoke a
18 self-distribution exemption after a hearing if it finds
19 that the exemption holder has made a material
20 misrepresentation in its application, violated a revenue
21 or alcoholic beverage law of Illinois, exceeded the
22 manufacture of 930,000 gallons of beer in any calendar
23 year or became part of an affiliated group manufacturing
24 more than 930,000 gallons of beer or any other alcoholic
25 beverage.

26 (E) The State Commission shall issue rules and

1 regulations governing self-distribution exemptions
2 consistent with this Act.

3 (F) Nothing in this paragraph (18) shall prohibit a
4 self-distribution exemption holder from entering into or
5 simultaneously having a distribution agreement with a
6 licensed Illinois importing distributor or a distributor.
7 If a self-distribution exemption holder enters into a
8 distribution agreement and has assigned distribution
9 rights to an importing distributor or distributor, then
10 the self-distribution exemption holder's distribution
11 rights in the assigned territories shall cease in a
12 reasonable time not to exceed 60 days.

13 (G) It is the intent of this paragraph (18) to promote
14 and continue orderly markets. The General Assembly finds
15 that in order to preserve Illinois' regulatory
16 distribution system, it is necessary to create an
17 exception for smaller manufacturers in order to afford and
18 allow such smaller manufacturers of beer access to the
19 marketplace in order to develop a customer base without
20 impairing the integrity of the 3-tier system.

21 (19) (A) A class 1 craft distiller licensee or a
22 non-resident dealer who manufactures less than 50,000
23 gallons of distilled spirits per year may make application
24 to the State Commission for a self-distribution exemption
25 to allow the sale of not more than 5,000 gallons of the
26 exemption holder's spirits to retail licensees per year.

1 (B) In the application, which shall be sworn under
2 penalty of perjury, the class 1 craft distiller licensee
3 or non-resident dealer shall state (1) the date it was
4 established; (2) its volume of spirits manufactured and
5 sold for each year since its establishment; (3) its
6 efforts to establish distributor relationships; (4) that a
7 self-distribution exemption is necessary to facilitate the
8 marketing of its spirits; and (5) that it will comply with
9 the alcoholic beverage and revenue laws of the United
10 States, this State, and any other state where it is
11 licensed.

12 (C) Any application submitted shall be posted on the
13 State Commission's website at least 45 days prior to
14 action by the State Commission. The State Commission shall
15 approve the application for a self-distribution exemption
16 if the applicant: (1) is in compliance with State revenue
17 and alcoholic beverage laws; (2) is not a member of any
18 affiliated group that produces more than 50,000 gallons of
19 spirits per annum or produces any other alcoholic liquor;
20 (3) does not annually manufacture for sale more than
21 50,000 gallons of spirits; and (4) does not annually sell
22 more than 5,000 gallons of its spirits to retail
23 licensees.

24 (D) A self-distribution exemption holder shall
25 annually certify to the State Commission its manufacture
26 of spirits during the previous 12 months and its

1 anticipated manufacture and sales of spirits for the next
2 12 months. The State Commission may fine, suspend, or
3 revoke a self-distribution exemption after a hearing if it
4 finds that the exemption holder has made a material
5 misrepresentation in its application, violated a revenue
6 or alcoholic beverage law of Illinois, exceeded the
7 manufacture of 50,000 gallons of spirits in any calendar
8 year, or has become part of an affiliated group
9 manufacturing more than 50,000 gallons of spirits or any
10 other alcoholic beverage.

11 (E) The State Commission shall adopt rules governing
12 self-distribution exemptions consistent with this Act.

13 (F) Nothing in this paragraph (19) shall prohibit a
14 self-distribution exemption holder from entering into or
15 simultaneously having a distribution agreement with a
16 licensed Illinois importing distributor or a distributor.

17 (G) It is the intent of this paragraph (19) to promote
18 and continue orderly markets. The General Assembly finds
19 that in order to preserve Illinois' regulatory
20 distribution system, it is necessary to create an
21 exception for smaller manufacturers in order to afford and
22 allow such smaller manufacturers of spirits access to the
23 marketplace in order to develop a customer base without
24 impairing the integrity of the 3-tier system.

25 (b) On or before April 30, 1999, the Commission shall
26 present a written report to the Governor and the General

1 Assembly that shall be based on a study of the impact of Public
2 Act 90-739 on the business of soliciting, selling, and
3 shipping alcoholic liquor from outside of this State directly
4 to residents of this State.

5 As part of its report, the Commission shall provide the
6 following information:

7 (i) the amount of State excise and sales tax revenues
8 generated as a result of Public Act 90-739;

9 (ii) the amount of licensing fees received as a result
10 of Public Act 90-739;

11 (iii) the number of reported violations, the number of
12 cease and desist notices issued by the Commission, the
13 number of notices of violations issued to the Department
14 of Revenue, and the number of notices and complaints of
15 violations to law enforcement officials.

16 (Source: P.A. 100-134, eff. 8-18-17; 100-201, eff. 8-18-17;
17 100-816, eff. 8-13-18; 100-1012, eff. 8-21-18; 100-1050, eff.
18 8-23-18; 101-37, eff. 7-3-19; 101-81, eff. 7-12-19; 101-482,
19 eff. 8-23-19; revised 9-20-19.)

20 (235 ILCS 5/4-4) (from Ch. 43, par. 112)

21 Sec. 4-4. Additional powers of local liquor control
22 commissioners. Each local liquor control commissioner shall
23 also have the following powers, functions, and duties with
24 respect to licenses, other than licenses to manufacturers,
25 importing distributors, distributors, foreign importers,

1 non-resident dealers, non-beverage users, brokers, railroads,
2 airplanes, and boats:

3 1. To grant or suspend for not more than 30 days or
4 revoke for cause all local licenses issued to persons for
5 premises within his jurisdiction;

6 2. To enter or to authorize any law enforcing officer
7 to enter at reasonable times ~~any time~~ upon any premises
8 licensed hereunder to determine whether any of the
9 provisions of this Act or any rules or regulations adopted
10 by him or by the State Commission have been or are being
11 violated, and at such time to examine said premises of
12 said licensee in connection therewith;

13 3. To notify the Secretary of State where a club
14 incorporated under the General Not for Profit Corporation
15 Act of 1986 or a foreign corporation functioning as a club
16 in this State under a certificate of authority issued
17 under that Act has violated this Act by selling or
18 offering for sale at retail alcoholic liquors without a
19 retailer's license;

20 4. To receive a complaint from any citizen within his
21 jurisdiction that any of the provisions of this Act, or
22 any rules or regulations adopted pursuant hereto, have
23 been or are being violated and to act upon the complaint in
24 the manner hereinafter provided;

25 5. To receive local license fees and pay the same
26 forthwith to the city, village, town, or county treasurer,

1 as the case may be.

2 Each local liquor commissioner also has the duty to notify
3 the Secretary of State of any convictions or dispositions of
4 court supervision for a violation of Section 6-20 of this Act
5 or a similar provision of a local ordinance.

6 In counties and municipalities, the local liquor control
7 commissioners shall also have the power to levy fines in
8 accordance with Section 7-5 of this Act.

9 For the purposes of this Section, the term "at reasonable
10 times" means (i) during normal business hours; (ii) during the
11 hours of operation of the business; (iii) any time the
12 business is found to be operating; or (iv) any time when a
13 customer is in the business, including before or after the
14 hours of operation of such business.

15 (Source: P.A. 100-863, eff. 8-14-18.)

16 (235 ILCS 5/8-2) (from Ch. 43, par. 159)

17 Sec. 8-2. Payments; reports. It is the duty of each
18 manufacturer with respect to alcoholic liquor produced or
19 imported by such manufacturer, or purchased tax-free by such
20 manufacturer from another manufacturer or importing
21 distributor, and of each importing distributor as to alcoholic
22 liquor purchased by such importing distributor from foreign
23 importers or from anyone from any point in the United States
24 outside of this State or purchased tax-free from another
25 manufacturer or importing distributor, to pay the tax imposed

1 by Section 8-1 to the Department of Revenue on or before the
2 15th day of the calendar month following the calendar month in
3 which such alcoholic liquor is sold or used by such
4 manufacturer or by such importing distributor other than in an
5 authorized tax-free manner or to pay that tax electronically
6 as provided in this Section.

7 Each manufacturer and each importing distributor shall
8 make payment under one of the following methods: (1) on or
9 before the 15th day of each calendar month, file in person or
10 by United States first-class mail, postage pre-paid, with the
11 Department of Revenue, on forms prescribed and furnished by
12 the Department, a report in writing in such form as may be
13 required by the Department in order to compute, and assure the
14 accuracy of, the tax due on all taxable sales and uses of
15 alcoholic liquor occurring during the preceding month. Payment
16 of the tax in the amount disclosed by the report shall
17 accompany the report or, (2) on or before the 15th day of each
18 calendar month, electronically file with the Department of
19 Revenue, on forms prescribed and furnished by the Department,
20 an electronic report in such form as may be required by the
21 Department in order to compute, and assure the accuracy of,
22 the tax due on all taxable sales and uses of alcoholic liquor
23 occurring during the preceding month. An electronic payment of
24 the tax in the amount disclosed by the report shall accompany
25 the report. A manufacturer or distributor who files an
26 electronic report and electronically pays the tax imposed

1 pursuant to Section 8-1 to the Department of Revenue on or
2 before the 15th day of the calendar month following the
3 calendar month in which such alcoholic liquor is sold or used
4 by that manufacturer or importing distributor other than in an
5 authorized tax-free manner shall pay to the Department the
6 amount of the tax imposed pursuant to Section 8-1, less a
7 discount which is allowed to reimburse the manufacturer or
8 importing distributor for the expenses incurred in keeping and
9 maintaining records, preparing and filing the electronic
10 returns, remitting the tax, and supplying data to the
11 Department upon request.

12 The discount shall be in an amount as follows:

13 (1) For original returns due on or after January 1,
14 2003 through September 30, 2003, the discount shall be
15 1.75% or \$1,250 per return, whichever is less;

16 (2) For original returns due on or after October 1,
17 2003 through September 30, 2004, the discount shall be 2%
18 or \$3,000 per return, whichever is less; and

19 (3) For original returns due on or after October 1,
20 2004, the discount shall be 2% or \$2,000 per return,
21 whichever is less.

22 The Department may, if it deems it necessary in order to
23 insure the payment of the tax imposed by this Article, require
24 returns to be made more frequently than and covering periods
25 of less than a month. Such return shall contain such further
26 information as the Department may reasonably require.

1 It shall be presumed that all alcoholic liquors acquired
2 or made by any importing distributor or manufacturer have been
3 sold or used by him in this State and are the basis for the tax
4 imposed by this Article unless proven, to the satisfaction of
5 the Department, that such alcoholic liquors are (1) still in
6 the possession of such importing distributor or manufacturer,
7 or (2) prior to the termination of possession have been lost by
8 theft or through unintentional destruction, or (3) that such
9 alcoholic liquors are otherwise exempt from taxation under
10 this Act.

11 If any payment provided for in this Section exceeds the
12 manufacturer's or importing distributor's liabilities under
13 this Act, as shown on an original report, the manufacturer or
14 importing distributor may credit such excess payment against
15 liability subsequently to be remitted to the Department under
16 this Act, in accordance with reasonable rules adopted by the
17 Department. If the Department subsequently determines that all
18 or any part of the credit taken was not actually due to the
19 manufacturer or importing distributor, the manufacturer's or
20 importing distributor's discount shall be reduced by an amount
21 equal to the difference between the discount as applied to the
22 credit taken and that actually due, and the manufacturer or
23 importing distributor shall be liable for penalties and
24 interest on such difference.

25 The Department may require any foreign importer to file
26 monthly information returns, by the 15th day of the month

1 following the month which any such return covers, if the
2 Department determines this to be necessary to the proper
3 performance of the Department's functions and duties under
4 this Act. Such return shall contain such information as the
5 Department may reasonably require.

6 Every manufacturer and importing distributor, except for a
7 new applicant for a manufacturer license or importing
8 distributor license or a manufacturer or importing distributor
9 that in the preceding year had less than \$50,000 of tax
10 liability under this Article, shall also file, with the
11 Department, a bond in an amount not less than \$1,000 and not to
12 exceed \$100,000 on a form to be approved by, and with a surety
13 or sureties satisfactory to, the Department. Such bond shall
14 be conditioned upon the manufacturer or importing distributor
15 paying to the Department all monies becoming due from such
16 manufacturer or importing distributor under this Article. The
17 Department shall fix the penalty of such bond in each case,
18 taking into consideration the amount of alcoholic liquor
19 expected to be sold and used by such manufacturer or importing
20 distributor, and the penalty fixed by the Department shall be
21 sufficient, in the Department's opinion, to protect the State
22 of Illinois against failure to pay any amount due under this
23 Article, but the amount of the penalty fixed by the Department
24 shall not exceed twice the amount of tax liability of a monthly
25 return, nor shall the amount of such penalty be less than
26 \$1,000. The Department shall notify the State Commission of

1 the Department's approval or disapproval of any such
2 manufacturer's or importing distributor's bond, or of the
3 termination or cancellation of any such bond, or of the
4 Department's direction to a manufacturer or importing
5 distributor that he must file additional bond in order to
6 comply with this Section. The Commission shall not issue a
7 license to any applicant for a manufacturer's or importing
8 distributor's license unless the Commission has received a
9 notification from the Department showing that such applicant
10 has filed a satisfactory bond with the Department hereunder
11 and that such bond has been approved by the Department.
12 Failure by any licensed manufacturer or importing distributor
13 to keep a satisfactory bond in effect with the Department or to
14 furnish additional bond to the Department, when required
15 hereunder by the Department to do so, shall be grounds for the
16 revocation or suspension of such manufacturer's or importing
17 distributor's license by the Commission. If a manufacturer or
18 importing distributor fails to pay any amount due under this
19 Article, his bond with the Department shall be deemed
20 forfeited, and the Department may institute a suit in its own
21 name on such bond.

22 After notice and opportunity for a hearing the State
23 Commission may revoke or suspend the license of any
24 manufacturer or importing distributor who fails to comply with
25 the provisions of this Section. Notice of such hearing and the
26 time and place thereof shall be in writing and shall contain a

1 statement of the charges against the licensee. Such notice may
2 be given by United States registered or certified mail with
3 return receipt requested, addressed to the person concerned at
4 his last known address and shall be given not less than 7 days
5 prior to the date fixed for the hearing. An order revoking or
6 suspending a license under the provisions of this Section may
7 be reviewed in the manner provided in Section 7-10 of this Act.
8 No new license shall be granted to a person whose license has
9 been revoked for a violation of this Section or, in case of
10 suspension, shall such suspension be terminated until he has
11 paid to the Department all taxes and penalties which he owes
12 the State under the provisions of this Act.

13 Every manufacturer or importing distributor who has, as
14 verified by the Department, continuously complied with the
15 conditions of the bond under this Act for a period of 2 years
16 shall be considered to be a prior continuous compliance
17 taxpayer. In determining the consecutive period of time for
18 qualification as a prior continuous compliance taxpayer, any
19 consecutive period of time of qualifying compliance
20 immediately prior to the effective date of this amendatory Act
21 of 1987 shall be credited to any manufacturer or importing
22 distributor.

23 A manufacturer or importing distributor that is a prior
24 continuous compliance taxpayer under this Section and becomes
25 a successor as the result of an acquisition, merger, or
26 consolidation of a manufacturer or importing distributor shall

1 be deemed to be a prior continuous compliance taxpayer with
2 respect to the acquired, merged, or consolidated entity.

3 Every prior continuous compliance taxpayer shall be exempt
4 from the bond requirements of this Act until the Department
5 has determined the taxpayer to be delinquent in the filing of
6 any return or deficient in the payment of any tax under this
7 Act. Any taxpayer who fails to pay an admitted or established
8 liability under this Act may also be required to post bond or
9 other acceptable security with the Department guaranteeing the
10 payment of such admitted or established liability.

11 The Department shall discharge any surety and shall
12 release and return any bond or security deposit assigned,
13 pledged or otherwise provided to it by a taxpayer under this
14 Section within 30 days after: (1) such taxpayer becomes a
15 prior continuous compliance taxpayer; or (2) such taxpayer has
16 ceased to collect receipts on which he is required to remit tax
17 to the Department, has filed a final tax return, and has paid
18 to the Department an amount sufficient to discharge his
19 remaining tax liability as determined by the Department under
20 this Act.

21 (Source: P.A. 100-1171, eff. 1-4-19; 101-37, eff. 7-3-19.)

22 (235 ILCS 5/10-6) (from Ch. 43, par. 188)

23 Sec. 10-6. Forfeiture. Any person who shall knowingly
24 possess, sell, ship, transport or in any wise dispose of any
25 alcoholic liquor under any other than the proper name or brand

1 known to the trade as designating the kind and quality of the
2 contents of the package or other containers of said alcoholic
3 liquor, ~~or~~ who shall cause any such Act to be done, or who
4 shall knowingly possess, sell, ship, transport, or in any way
5 dispose of any alcoholic liquor in violation of the provisions
6 of this Act, shall have no property right of any kind in said
7 alcoholic liquor and shall forfeit to the State said alcoholic
8 liquor and said packages and containers and shall be subject
9 to the punishment and penalties provided for violation of this
10 Act.

11 (Source: P.A. 82-783.)

12 (235 ILCS 5/10-8) (from Ch. 43, par. 190)

13 Sec. 10-8. Complaints. Whenever complaint is made in
14 writing, verified by affidavit, to any judge of the circuit
15 court, that complainant has just and reasonable grounds to
16 believe and does believe that alcoholic liquor is
17 manufactured, possessed, kept for sale, used or transported,
18 in violation of this Act, or any mash, still or other property
19 designed for the manufacture of alcoholic liquor is possessed
20 in any premises which are not licensed hereunder,
21 (particularly describing and designating such property in the
22 complaint), the judge may issue a search warrant as
23 hereinafter provided; provided, however, no search warrant
24 shall be necessary for the inspection or search at reasonable
25 times of any premises licensed under this Act, and provided,

1 further, that no search warrant shall be issued for the search
2 of premises in use for residence purposes. The property seized
3 on any such warrant shall not be taken from the officer seizing
4 the same on any order of replevin or other like process. For
5 the purposes of this Section, the term "at reasonable times"
6 means (i) during normal business hours; (ii) during the hours
7 of operation of the business; (iii) any time the business is
8 found to be operating; or (iv) any time when a customer is in
9 the business, including before or after the hours of operation
10 of such business.

11 Each complaint shall be substantially in the following
12 form:

13 State of Illinois,)

14) ss.

15 County of Cook.)

16 Complaint for Search Warrant.

17 The complaint and affidavit of (name of complainant),
18 of (his residence), made before (name of officer)
19 one of the (official title of officer), in and for the
20 (county, city or village, as the case may be), on (insert
21 date), being first duly sworn, upon his oath says: That he has
22 just and reasonable grounds to believe, and does believe that
23 alcoholic liquor is now unlawfully (manufactured, possessed,
24 used, disposed of or kept for sale, or any mash, still or other
25 property designed for the illegal manufacture of alcoholic
26 liquor is possessed therein, as the case may be), to-wit: At

1 and within a certain (here describe the house, building,
 2 premises, boat, vehicle, receptacle or other place to be
 3 searched, with particulars as to the location sufficiently to
 4 identify it, stating the name of the person occupying the
 5 same, if known), in the (city, village or town of),
 6 in the county and state set out above; that the following are
 7 the reasons for his or her belief, to-wit (here insert the
 8 facts upon which such belief is based). Wherefore complainant
 9 prays that a search warrant may issue according to law.

10
11

(Signature of complainant.)

12 Subscribed and Sworn to before me on (insert date).

13
14

(Name of officer.)

15
16

(Official title of officer.)

17 (Source: P.A. 91-357, eff. 7-29-99.)

18 Section 99. Effective date. This Act takes effect upon
 19 becoming law.

1 INDEX

2 Statutes amended in order of appearance

3 40 ILCS 5/1-160

4 40 ILCS 5/14-110 from Ch. 108 1/2, par. 14-110

5 40 ILCS 5/14-152.1

6 235 ILCS 5/3-4.1 new

7 235 ILCS 5/3-12

8 235 ILCS 5/4-4 from Ch. 43, par. 112

9 235 ILCS 5/8-2 from Ch. 43, par. 159

10 235 ILCS 5/10-6 from Ch. 43, par. 188

11 235 ILCS 5/10-8 from Ch. 43, par. 190